

Docket No: 08-0268
Bench Date: 11/13/08
Deadline: N/A

M E M O R A N D U M

TO: The Commission

FROM: Eve Moran, Administrative Law Judge

DATE: October 30, 2008

SUBJECT: Aqua Illinois, Inc.

Petition for Annual Reconciliation of Purchased Water Surcharge Pursuant to 83 Ill. Adm. Code 655.

RECOMMENDATION: Enter attached Order Approving Reconciliation (as modified).

This case began on April 14, 2008, when Aqua Illinois, Inc. ("Aqua" or "the Company") filed a Petition for Annual Reconciliation of Purchased Water Surcharge pursuant to 83 Ill. Adm. Code 655. Included with the Petition were seven exhibits and further supporting documentation was provided to the Staff of the Commission.

At the evidentiary hearing on August 14, 2008, there was admitted into the record the direct and rebuttal testimony of Aqua witness Hanley and the direct testimony of Staff witness Mike Ostrander. Staff's testimony indicated that the proposed reconciliation was correct but for Aqua's failure to include interest (on both fixed and variable components) from the end of the 2005 reconciliation year in accordance with 83 Ill. Adm. Code 655.50(c). Staff's proposed adjustments in this regard were accepted by Aqua as reflected in its rebuttal testimony. Thus, at the end of the proceeding, there was nothing in dispute.

This Order reflects the outcome arrived at through the efforts of both Staff and the Company. It is reasonable on the facts and in accordance with the law. I recommend that the attached Order, approving the reconciliation of purchased water costs and revenues as modified to account for Staff's recommendations, be now adopted by the Commission.

EM:jt